

October 27, 2003

The Honorable William M. Thomas
U.S. House of Representatives
1102 Longworth House Office Building
Washington, D.C. 20515

RE: American Jobs Creation Act (H.R. 2896)

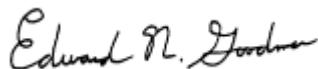
Dear Chairman Thomas:

VHA, Inc. ("VHA") is pleased to join the growing list of U.S. companies that support H.R. 2896, the American Jobs Creation Act, as amended by the proposed markup language released by the Joint Committee on Taxation on October 24 2003 (the "Chairman's Mark"). VHA is a national hospital supply cooperative headquartered in Irving, Texas. VHA has approximately 2,200 members consisting primarily of nonprofit hospitals and health systems.

VHA particularly appreciates your inclusion of Section 1102 of the Chairman's Mark, a long-overdue correction to the current IRS rule resulting in excessive taxation of certain cooperative dividends. Since you first introduced a bill to correct this problem in 1999, VHA has been working with over 40 members of Congress and the National Council of Farmer Cooperatives on remedial legislation. It is very important to both the healthcare and agricultural sectors that the rules causing such excessive taxation be corrected now.

VHA strongly appreciates your continued support of this provision, and has sent letters urging members of the Ways and Means Committee to favorably report the Chairman's Mark of H.R. 2896 at the upcoming Committee markup. Thank you for your leadership on this and other issues so vital to our nation's international competitiveness and national security.

Sincerely,



Edward N. Goodman
Vice President, Public Policy

cc: Mr. Robert Winters,
Chief Tax Counsel